deployment

A complex patchwork of local government regulations must be streamlined to create uniform standards under which telecommunications systems can be sited and built. Based on more than a year of discussion among cities, industry and consumer groups, the Governor proposed legislation to ensure that cities process telecommunications siting and construction permit applications quickly. The resulting legislation bans moratoria on telecommunications infrastructure construction and reduces timelines for reviewing construction applications. It also authorizes cities to lease rights of way for cellular towers and wireless antennas.

Staff Contact: David Danner, Governor's Executive Policy Office, (360) 902-0630. Fax: (360) 586-8380.

Tami Garrow – Grays Harbor Public Development Authority, Director and Business Development at the Satsop Development Park, Director

Ms. Garrow has served as Director of Business Development for the Grays Harbor Public Development Authority since last July. Since it is a brand new organization, working there for 8 months already makes Tami a senior staff person. Ms. Garrow has also worked as the City Planner for the City of Hoquiam, Economic Development Program Manager for the State Dept. of Community Development, Manager of Planning and Real Estate for the Port of Grays Harbor (7 years), taught business courses at Grays Harbor College, spent two years as Executive Director of the Grays Harbor Economic Development Council, and is now Director of Business Development at the Satsop Development Park. Her responsibilities in this position include new business development, site marketing, tenant relations, lease negotiations, public affairs, grant writing and governmental relations. This is an Economic Development person's dream job because not only does Ms. Garrow have the chance to market something truly amazing, but she also has the ability to set the price and cut the deal. This is a new frontier for all of the folks where Tami works and she says it is the most fun she has had in 15 years of work experience.

Ms. Garrow is an economic development professional, a graduate of the University of Puget Sound, and a Grays Harbor native.

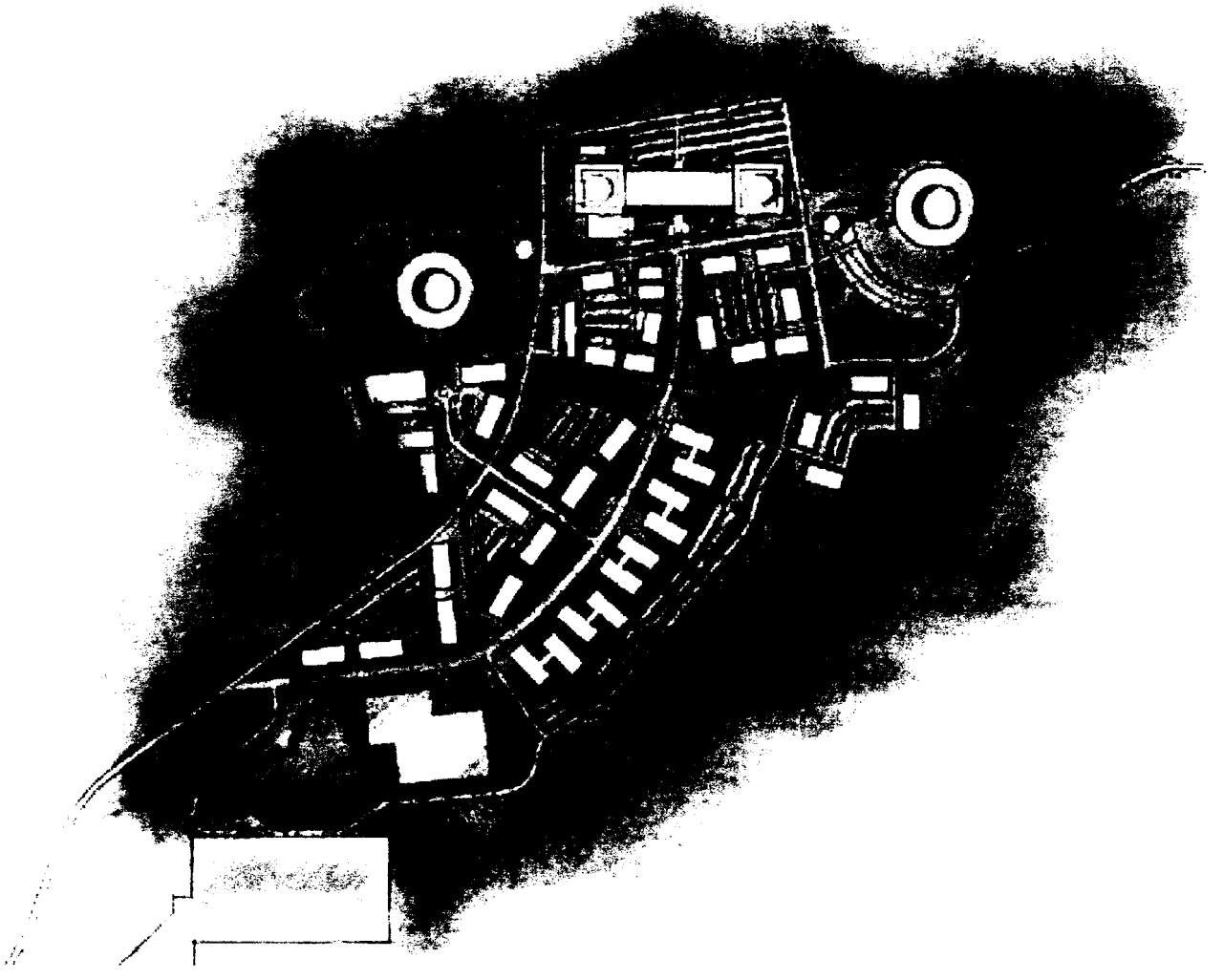
Grays Harbor Public Development Authority

The Satsop site was originally owned and developed by the Washington Public Power Supply System as a twin nuclear reactor generation facility. Construction on the project, which was initiated in 1976 and continued until 1983, was massive. The site improvements included twin electricity-producing nuclear reactors, two imposing 500 foot cooling towers (among the largest ever built), huge warehouses, a deep water dock, endless office space and over 1500 acres of land. Both cooling towers are essentially complete and one of the reactors sits at just under 100 percent.

Satsop Development Park offers a unique opportunity for business, industry and technology. Located in western Washington, USA, easily accessible to the Pacific Rim and to major U.S. transportation links, the park represents a substantial investment in plant, equipment and infrastructure. Originally developed as a nuclear power plant, but never was fueled and completed because of changes in electrical markets, Satsop offers business, industrial and technology tenants a rare opportunity to grow in a high quality-of-life community that welcomes commerce.

Satsop

Creating Partnerships for Economic Growth



Grays Harbor Public Development Authority
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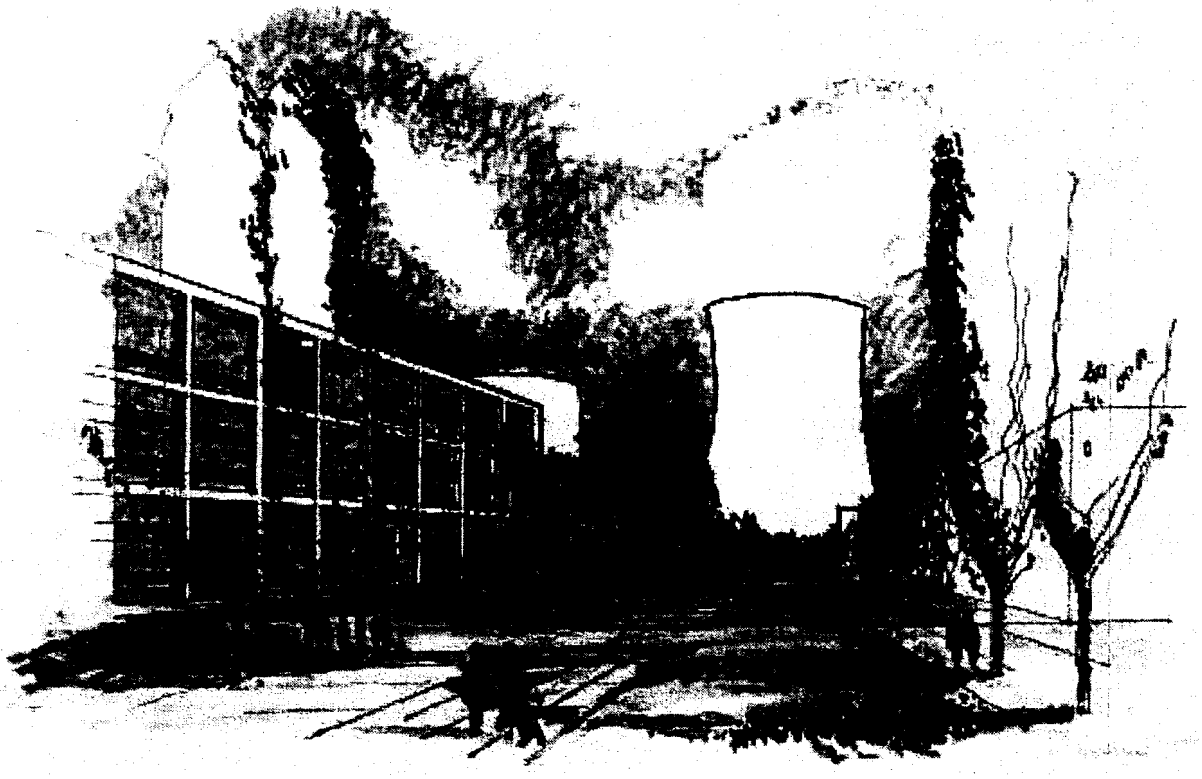
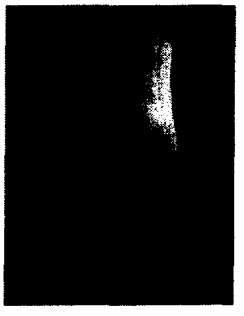
Satsop WA 98583-0127
Phone: 360-482-1600 *Fax:* 360-482-1513
www.satsop.com

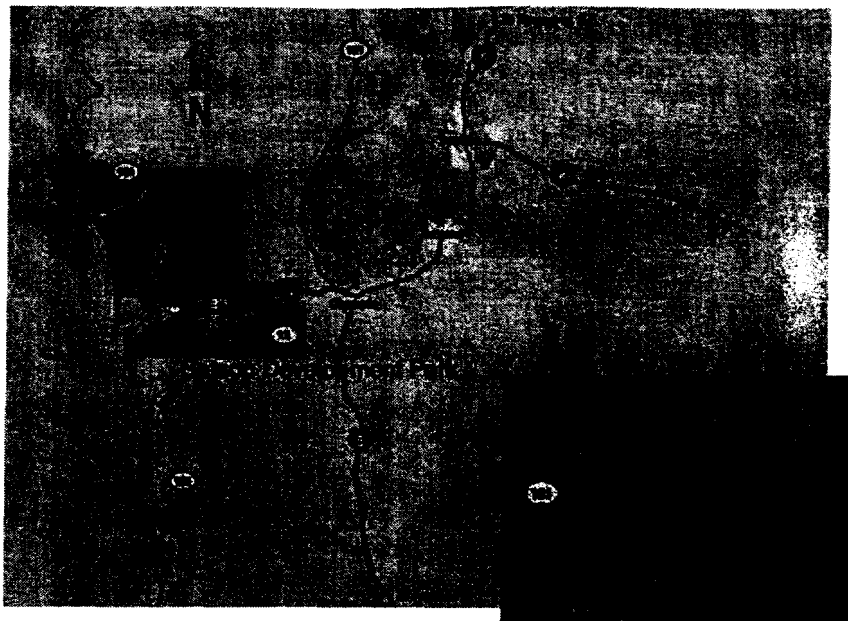
Contents

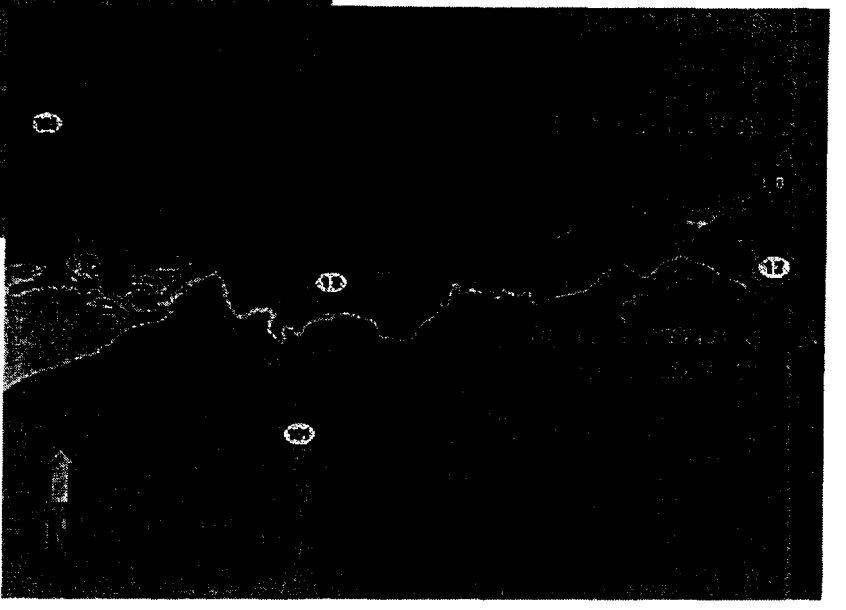




Satsop Development

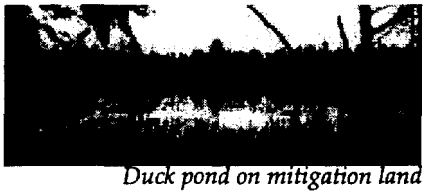
I. Location





Just 2 hours south of Seattle and 2½ hours north of Portland, the site is close to the technological hub of the Pacific Northwest.

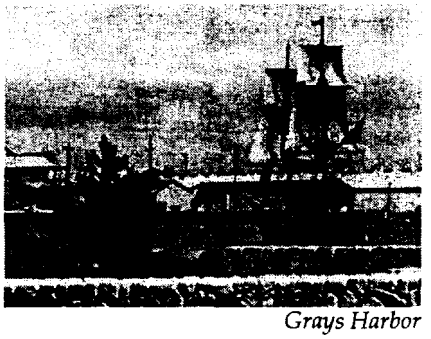
The Satsop Development Park is centrally located in the Cascadia Economic Corridor. Just two hours south of Seattle, or 2½ hours north of Portland, the site is close to the technological hub of the Pacific Northwest.



Duck pond on mitigation land

The Park is accessed via a four-lane state highway located less than 30 minutes drive from Olympia and the Interstate 5 corridor, the West coast's major transportation artery running from Canada to Mexico.

Thirty minutes west are the population centers of Aberdeen/Hoquiam; 30 minutes east is the Olympia/Tumwater area. The communities of Centralia and Shelton are also less than a half-hour drive from the Satsop Development Park. Two county roads connect at the Park, forming a loop access route to the highway. The site's 440 developable acres are surrounded by another 1,200 acres of undeveloped forestland and wildlife habitat owned by the Park. The entire site is bordered by either farm or forestlands.



Grays Harbor

Satsop Development Park

II. Background

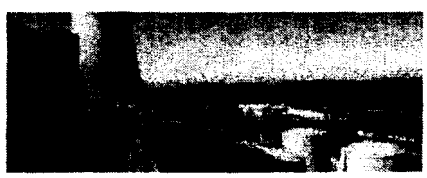
Site History

Significant investments have been made, but much work remains to create a world-class technology park.

The Satsop Development Park is the result of an unfinished nuclear power plant project started in the mid-1970s in east Grays Harbor County. Construction of the twin power plants was begun in 1978 by the Washington Public Power Supply System (now Energy Northwest) and the Bonneville Power Administration (a federal agency).. Work was halted in 1983 following a series of financial events and changes in the energy market that placed the project on hold for another 10 years.

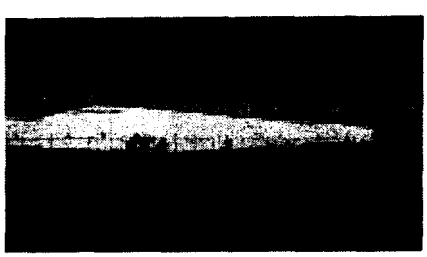
In 1995, talks began at the local level to explore ways to convert the unfinished nuclear power plant to an economic powerhouse for all of Southwest Washington. The community sought special legislation to allow the site to be converted to a business and technology park, and in August of 1999, the site was transferred to the Grays Harbor Public Development Authority (PDA) to be used to create jobs and investment for the community. In addition to title to the land and buildings, the PDA was given $15 million in seed capital to begin the process of building a business park in rural Grays Harbor.

Current Activities



The Satsop Development Park is comprised of 440 developable acres of land atop Fuller Hill. It is located in a campus-like environment with a spectacular view of the Olympic Mountain Range, surrounded by 1,200 acres of forest lands also owned by the PDA. The site has its own water system, wastewater treatment plant, electrical and road systems. However, the infrastructure in place is now more than 20 years old and some of it was never completed. Much remains to be done to bring site utilities and infrastructure up to 21st century standards.

Utilizing our seed capital, the PDA has invested in telecommunications infrastructure to serve the site recognizing that the provision of unlimited bandwidth, at competitive prices, in a secure and pristine environment would serve as a magnet to attract business and industry to the site. To date, we've spent or committed over $3 million to install fiber optic cable and provide the electronics to light the fiber and to build voice and data networks large enough to handle dozens of tenants and thousands of employees. In addition, we are making improvements to our infrastructure and buildings to accommodate new tenants.



The site contains several unfinished buildings, over 300,000 sq. ft. of warehouse space, over 130,000 sq. ft. of office buildings, a Telecommunications Host building, and the massive Turbine Building that contains over 500,000 sq. ft. of high-tech space suitable for renovation to provide a variety of office, training and technology uses. Our anchor tenant, SafeHarbor.com, currently leases a 48,000 sq. ft. office building from the PDA and we are in the process of constructing a second, 40,000 sq. ft. building for their use.

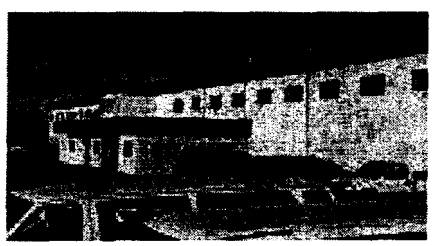
Next Steps

Our success is dependent on fostering creative partnerships for innovation.

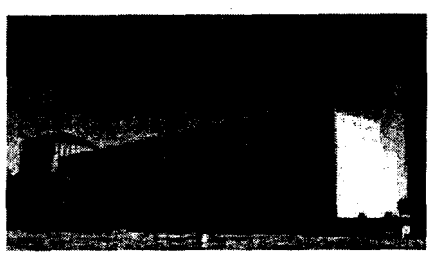
We'd like you to join us.

We're developing a Master Plan for the entire site that maximizes land usage for a mix of business, e-commerce and technology activities. The Plan estimates that the Satsop Development Park, when fully occupied, will provide 5,000 or more jobs. The high-tech, light-industry focus the PDA has adopted represents a significant opportunity for southwest Washington to diversify its economy away from a historic dependence on natural resources such as timber and fishing.

Our first technology tenant, SafeHarbor.com, is already generating a tremendous amount of economic energy on site. The company occupied 5,000 sq. ft. of rented space on site in November 1998 and employed six people, including the three founders. Today, SafeHarbor.com employs more than 120 people, occupies the entire building, and is adding new employees at the rate of 25 per month. Work is now completed on a total remodel of the original building and we will break ground for their second, 40,000 sq. ft. building by March 1 of this year. SafeHarbor.com expects to have 350 employees by the end of 2000. The company strives to hire locally and has developed a customized training program with the Grays Harbor Community Education and Lifelong Learning (CELL) Center that is providing Grays Harbor citizens the ability to transition to a technology-based economy. Employees are provided full benefit packages and stock option plans, with plenty of opportunities for advancement.



SafeHarbor.com



Turbine Building

We're still exploring options for the precise shape the Satsop Development Park will take. Examples of our Master Planning efforts are illustrated on the following pages, along with information on the various projects to be undertaken by the PDA to fully develop the Park. We will be working with our local, state and federal government, the private sector and the community to find creative ways to carry out our vision for Satsop. Efforts will be focused on identifying resources to build the Park, including roads, public spaces, landscaping, infrastructure, building improvements, training facilities, childcare facilities and more. At the same time, we will be busy marketing the site for new tenants, making improvements to accommodate the needs of the business community, and creating new opportunities for Southwest Washington. Our success is dependent on fostering creative partnerships for innovation. We'd like you to join us.

Satsop Development Park

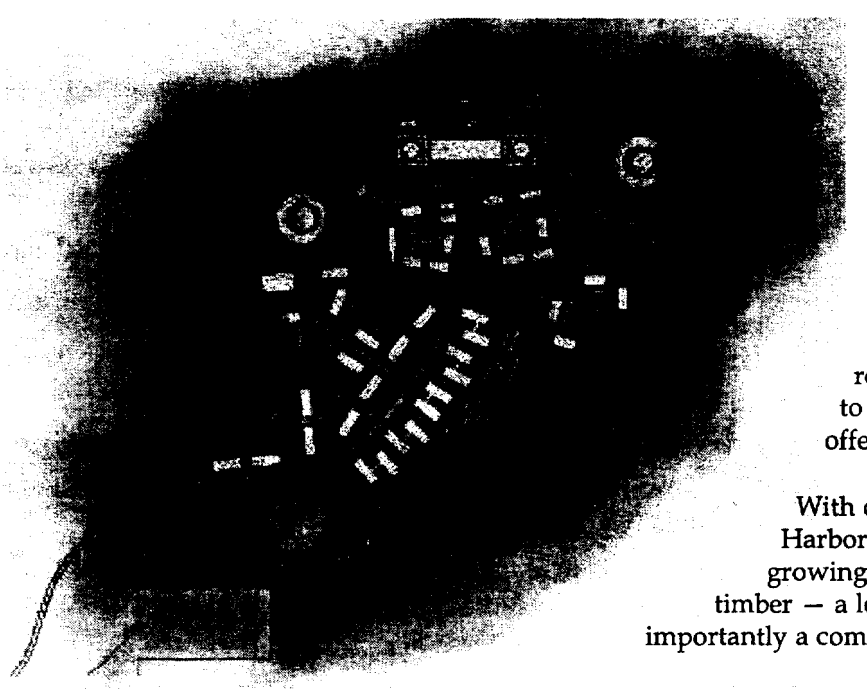
III. A Work In Progress

The Grays Harbor Public Development Authority is committed to converting Satsop from an unfinished Nuclear Power Plant to an economic powerhouse.

In the shadow of the cooling towers, the Satsop Development Park is beginning to bloom. The site is still very much in the business of generating energy — self-perpetuating *economic* energy — for all of Southwest Washington. With over 400 acres of land and buildings available, the Park is experiencing steady growth after less than six months of local ownership. The Park's anchor tenant, SafeHarbor.com, recently celebrated their first anniversary and now employs over 120 people. Satsop also is now home to three area companies leasing warehousing and manufacturing space.

We are putting an extraordinary amount of effort into preparing the site for more tenants. That work includes renovating office and warehouse space; developing a binding site plan; engineering and designing water and sewer systems; completing an upgraded power substation; developing new access roads; performing telecommunications business planning (and making the infrastructure improvements to support it); and completing real estate business planning and capital facilities planning. The Public Development Authority (PDA) is also managing the site restoration efforts including clean-up of the construction site, sale of nuclear plant assets, and demolition and disposal of unusable structures.

We also recently signed a precedent-setting agreement with the Bonneville Power Administration, bringing one of the most critical infrastructure elements to the Grays Harbor area, a 72-strand fiber optic cable. This high-speed connection is critical for supporting a wide variety of technology, e-commerce and distribution businesses, It represents a huge advance in available technology in Grays Harbor.



When ownership of the site was transferred to the PDA, we received $15 million in seed capital to convert the site into a business park. Although this seems like a lot of money, we now know it will take several times that amount to finish the infrastructure and make the site self-sustaining. We are seeking funding to fill that gap. Since the PDA is not a taxing entity, we must focus our efforts on generating revenues and seeking outside funding to create a viable business park that offers solid employment opportunities.

With development of the Park, Grays Harbor is entering a new era, one that offers growing companies — from technology to timber — a location, a workforce and most importantly a community in which to prosper.

Satsop

IV. Vision

A Generative Vision

"If SafeHarbor.com had to develop Satsop's infrastructure in the Seattle area, it would have taken at least nine months and cost our company up to $1 million."

Bo Wandell, President
SafeHarbor.com

Satsop Development Park offers business, industry and technology tenants a rare opportunity to grow in a high quality-of-life community that welcomes commerce. Surrounded by natural beauty, the Park offers a campus-like setting with buildings, building pads and infrastructure ready to meet the needs of new business. When looking for a capable workforce, Park tenants can draw from a population base of 200,000 people within ½ hour drive of the site. Two community colleges and two, four-year universities are within an easy ½ hours drive of the site as well, offering training opportunities and a skilled labor pool. Fiber optic cable, digital microwave systems and state-of-the-art voice and data networks offer connectivity, reliability, security and redundancy for technology companies looking for room to grow.

The site's tremendous connectivity and the area's stable workforce combine to make it a particularly attractive and unique place to do business. "We realized Satsop's opportunity as soon as we saw the Park," says Bo Wandell, President of SafeHarbor.com. "Satsop offers a plug-and-work environment for SafeHarbor.com and other companies that require advanced computer and telecommunications infrastructure. If SafeHarbor.com had to develop Satsop's infrastructure in the Seattle area, it would have taken at least nine months and cost our company up to $1 million." SafeHarbor.com CEO Brian Sterling puts it another way: "Satsop has a lot to offer companies like ours. The Park has stepped up to the plate to provide services, and we have discovered a better labor force than we realized, circumstances which have helped us to grow so quickly. We're very pleased to be where we're at."

Satsop Development Park offers a one-of-a-kind package of advantages to growing companies:

- Over 400 acres of open, essentially flat terrain with epic views of the Olympic Mountain Range
- 48 strands of fiber serving the site, with local ownership and control of the fiber.
- Extensive data network capable of serving up to 4,000 users
- Telephony capabilities to serve up to 20,000 ports (phone lines)
- Connection to a countywide digital microwave system, as well as local telephone services for redundancy
- 500 kV and two, 230 kV electrical power supplies to the site
- Other infrastructure in place including roads, sewer, and water (14 million gpd capabilities)
- Cooperative permitting jurisdiction with no additional environmental view required (construction can begin with completion of building permit review)

IV. Vision

The site will be able to offer high capacity, high speed Internet access, unlimited bandwidth capabilities and connectivity at a very competitive price.

- Exceptionally low land, labor, and living costs
- Colleges and professional training programs available nearby
- Interstate highway access, rail lines and Grays Harbor itself (offering the U.S. mainland's closest deepwater port to the Pacific Rim) just minutes away; Seattle and Portland high-tech and consumer markets within easy reach
- Proximity to the spectacular beauty and recreational opportunities of the Olympic National Park and the Pacific Ocean, each less than an hour's drive from the site.

Telecommunications Network

By design, the Satsop Development Park features a redundant, abundant telecommunications network. Fiber optic cable, owned by the Park, connects the site to Olympia, Aberdeen and points beyond. Electronics to light the fiber are being installed this spring, and the site will be able to offer high capacity, high speed internet access, unlimited bandwidth capabilities and connectivity at a very competitive price. The fiber is backed up by a digital microwave system and copper phone lines, providing additional redundancy.

A large-scale data network has been installed to serve technology companies, call centers and other tenants. Buildings throughout the site can be directly connected to the network via fiber. All systems are supported by an uninterruptible power supply system, and power serving the site comes from two separate grids which supply the entire Pacific Northwest. Telecommunications equipment is housed in a 7,200 sq. ft. building designed for climate control and maximum security. The Park is developing partnerships with a variety of telecommunications service providers to offer tenants the widest possible range of voice and data services at competitive prices, with fast, seamless delivery.

IV. Vision

Simply stated, the Satsop Development Park is dedicated to delivering world-class telecommunications services to its tenants and the surrounding region, in a location second-to-none in the Pacific Northwest.

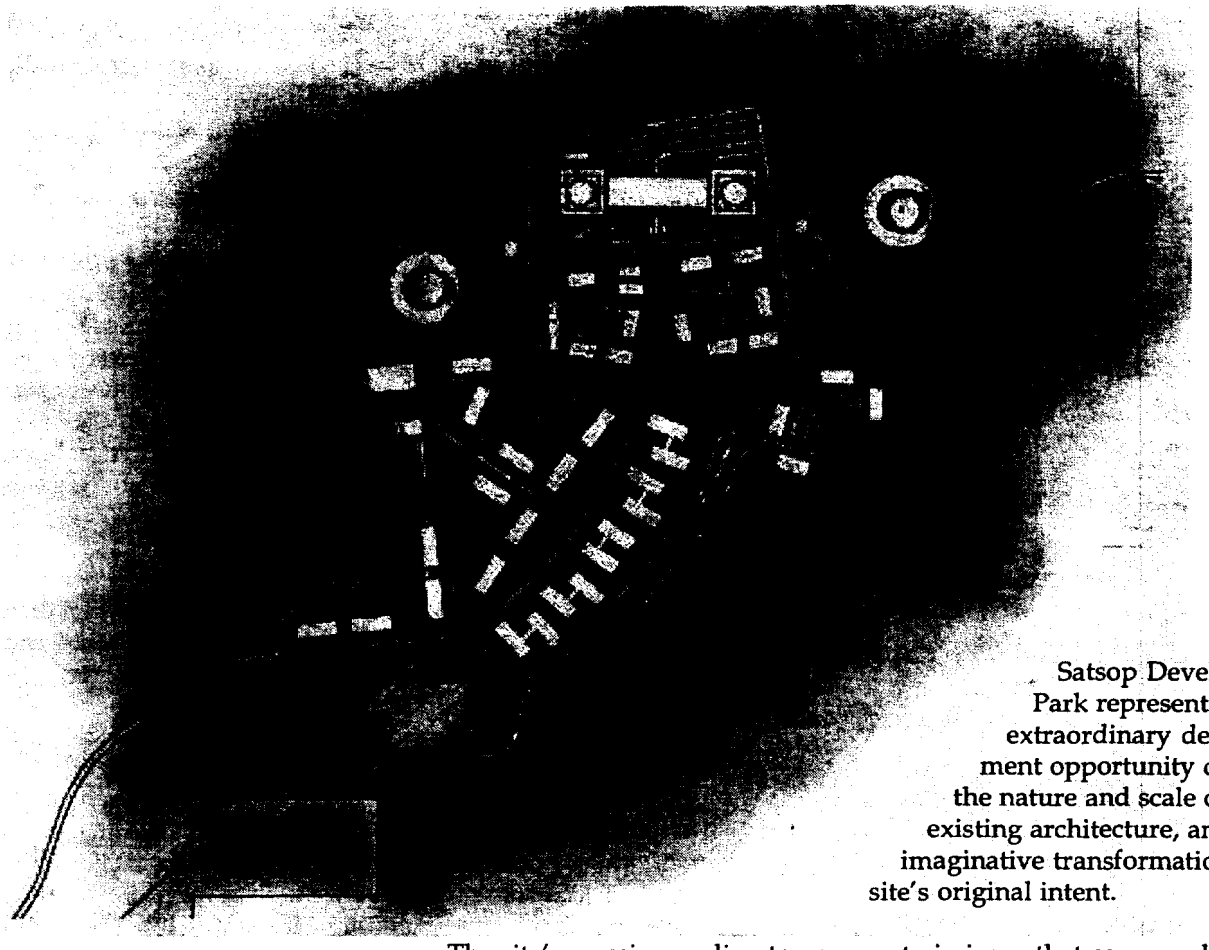
Telephony

To meet the requirements of technology tenants, the Park installed the Intecom E-14M PBX/ACT integrated telephone system (the system chosen by Microsoft to meet their worldwide needs). This system provides a wide range of sophisticated features including automatic call distribution, skills-based call routing, intelligent queuing, interactive voice response, predictive dialing and a variety of computer-telephony integration features. The service can also provide call accounting and call monitoring services.

The Intecom system can be expanded in the field to 20,000 ports per location and overcomes the blocking architecture of other systems in a high-traffic environment. Integration work has been completed to implement Silknet Software for SafeHarbor.com, our anchor tenant, and can be made available to other call-center or technical support companies.

Simply stated, the Satsop Development Park is dedicated to delivering world-class telecommunications services to its tenants and the surrounding region, in a location second-to-none in the Pacific Northwest. By investing in our infrastructure, in our site and in our community, we will carry out the vision created by our Board of Directors and illustrated in our Master Plan. For more information, read on.

V. A Master Plan for Satsop



Satsop Development Park represents a truly extraordinary development opportunity due to the nature and scale of the existing architecture, and the imaginative transformation of the site's original intent.

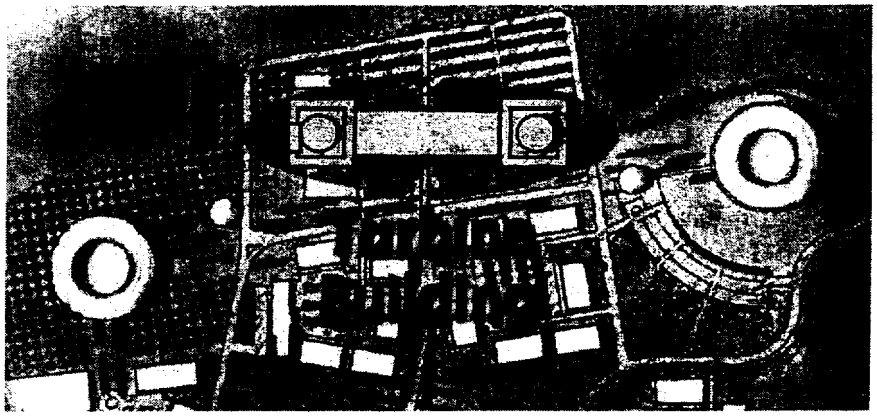
The site's massive cooling towers are twin icons that command the eye (and imagination) from a great distance.

The site's massive cooling towers are twin icons that command the eye (and imagination) from a great distance, and the existing Turbine Building is hardly less impressive as it comes into view. Our master plan is anchored by these immense structures, and further organized by Main Street, which arcs through the development from south to north, and Tower Street, which connects the two towers. At the axis is the Turbine Building.

Flanking Main Street is the open, pedestrian-friendly expanse of the Great Lawn, and within it an array of campus "quads" where more intimate spaces are created for the Park's tenants. (The "quad" for SafeHarbor, the Park's current high tech tenant, is already in development – as is the Great Lawn.) Pedestrian pathways/bikeways meander through the Great Lawn and site as a whole, linking the natural forest on the site's perimeter to Tower Street's urban ambiance and the parklike quad campus areas off Main Street.

In the pages that follow, we'll highlight four featured elements of the plan – the Turbine Building, Cooling Tower Park, Tower Street and Main Street – and then conclude with a comprehensive summary of the plan, including the costs we estimate will be required to make it a reality.

V. A Master Plan for Satsop



Turbine Building
Est. cost: $29,500,000

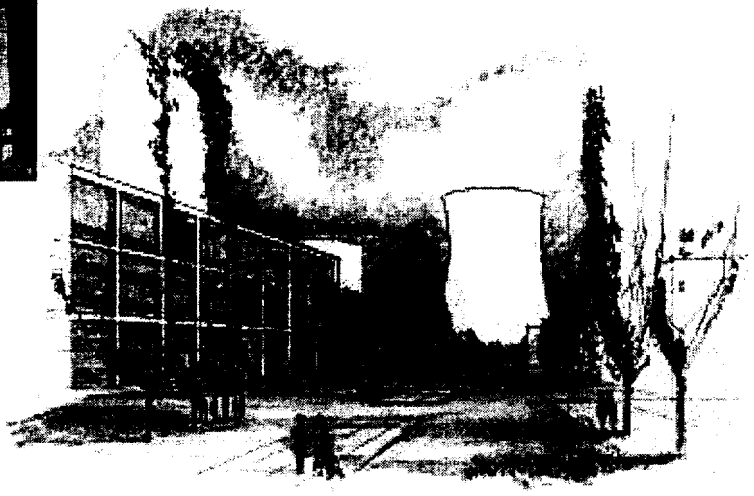
One of the site's most intriguing possibilities is the redevelopment of the Plant 5 Turbine Building.

The building as it is represents a massive historical investment in terms of both money and materials; taxpayers have been paying a considerable premium simply to maintain it over the years. Originally constructed to house the Nuclear Plant 5 turbine and associated mechanical and electrical systems, the structure stands as high as a 10-story building (137') and stretches the length of a football field.

Our master plan explores the idea of transforming the structure into more than 300,000 sf of the state's most desirable and intriguing office technology space.

By any measure, it's an immense building — and one that offers immense opportunities. We believe the same logic should apply to the turbine building that has been applied to the development as a whole: instead of turning it into a pile of rubble, why not recycle it in imaginative fashion? In fact, why not turn it into the centerpiece of the Satsop Development Park's redevelopment effort?

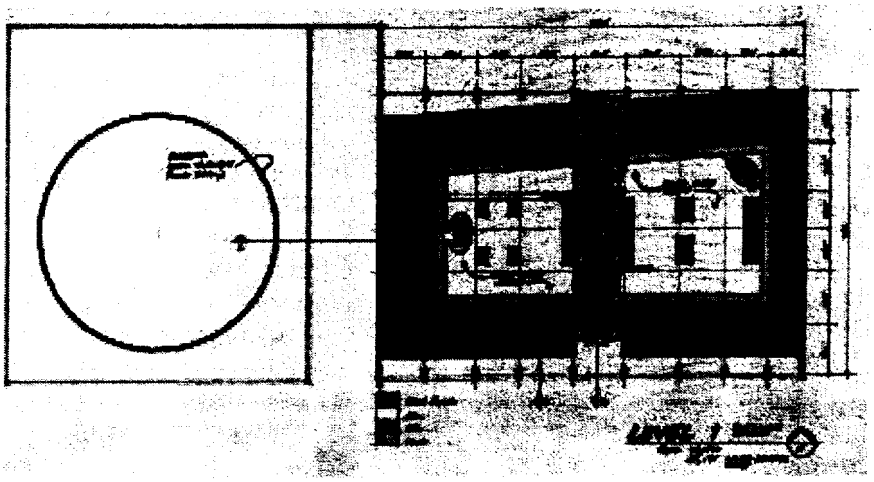
As it happens, the turbine building's footprint is not significantly different from those being constructed in the Puget Sound technology marketplace. Our master plan explores the idea of transforming the structure into more than 300,000 sf of the state's most desirable and intriguing office technology space.



Satsop

V. A Master Plan for Satsop

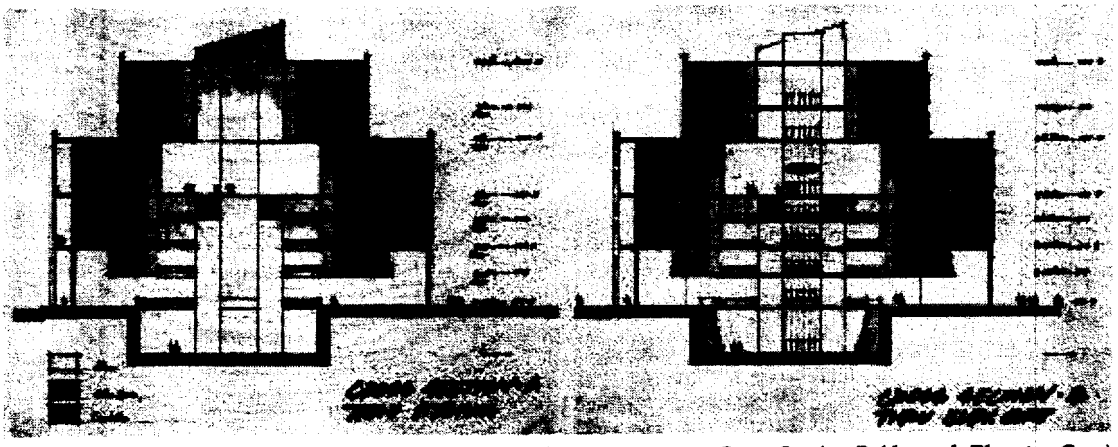
Turbine Building (cont'd)



1st Floor floor plan

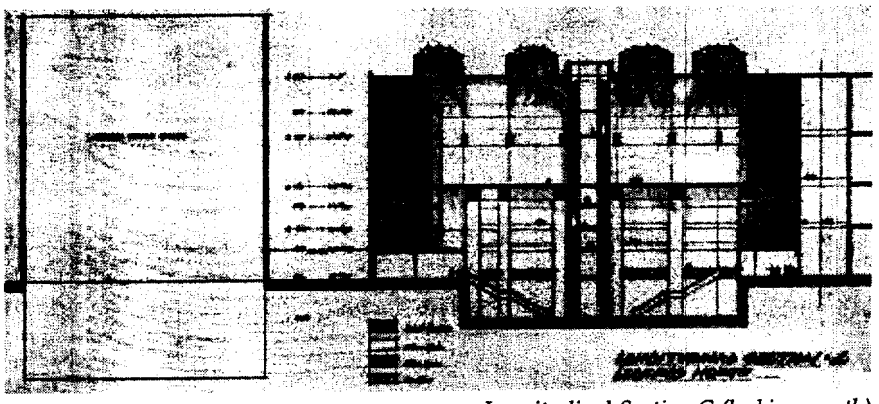
The Turbine Building Remodel affords a unique opportunity to create a worldwide identity for the Satsop Development Park.

We believe that recycling the massive structure into a striking and viable 21st century high technology office facility is an exciting expression of the park's spirit of reclamation and regeneration.



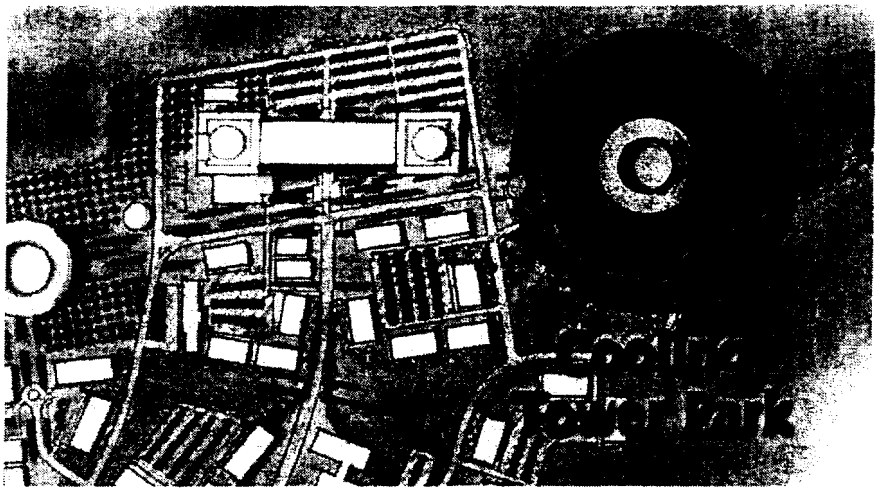
Cross Section A (through Atrium)

Cross Section B (through Elevator Core)



Longitudinal Section C (looking north)

V. A Master Plan for Satsop



Cooling Tower Park

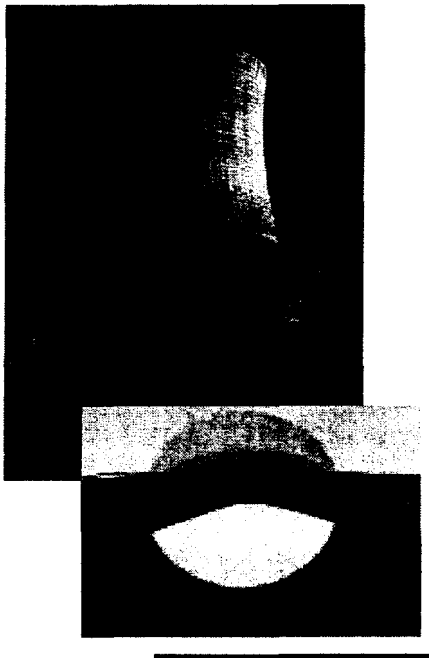
Est. cost: $2,000,000

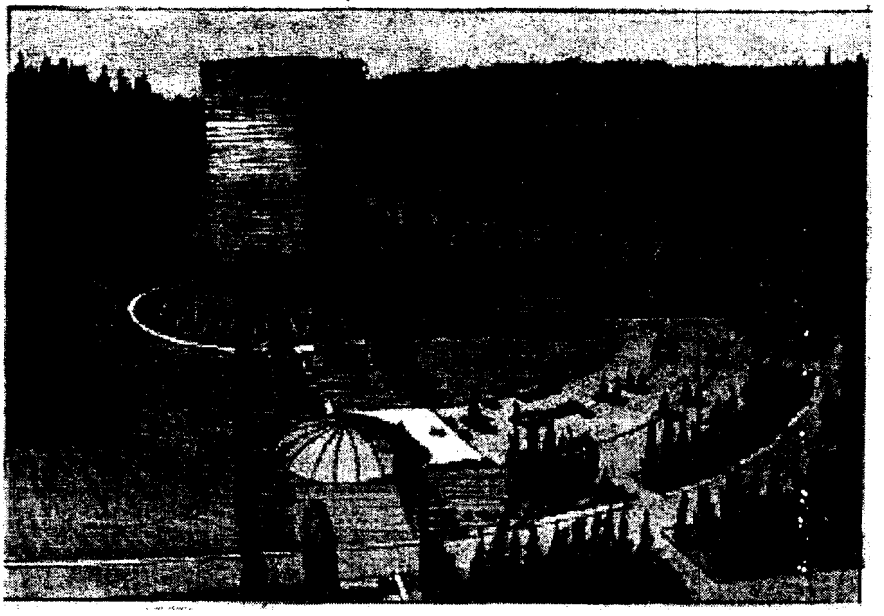
Cooling Tower Park is a unique destination amenity that welcomes visitors and tenants to enter and circulate within one of the site's cooling towers. A platform inside elevates visitors above the open skirt at the tower's base to allow them to fully experience the extraordinary acoustics, immense scale and graceful curves of this remarkable piece of architecture.

Visitors are elevated within the tower to fully experience its extraordinary acoustics, immense scale and graceful curves.

Remnants adjacent to the tower include the domed top of a reactor building, to be retrofitted into a visitor's center featuring exhibits, public restrooms, and food vending. To the south is an open air amphitheater, flanked by a naturally forested hill, to house theatre and other regional events.

Cooling Tower Park creates a compelling attraction for both visitors and children in the development's planned on-site daycare center.

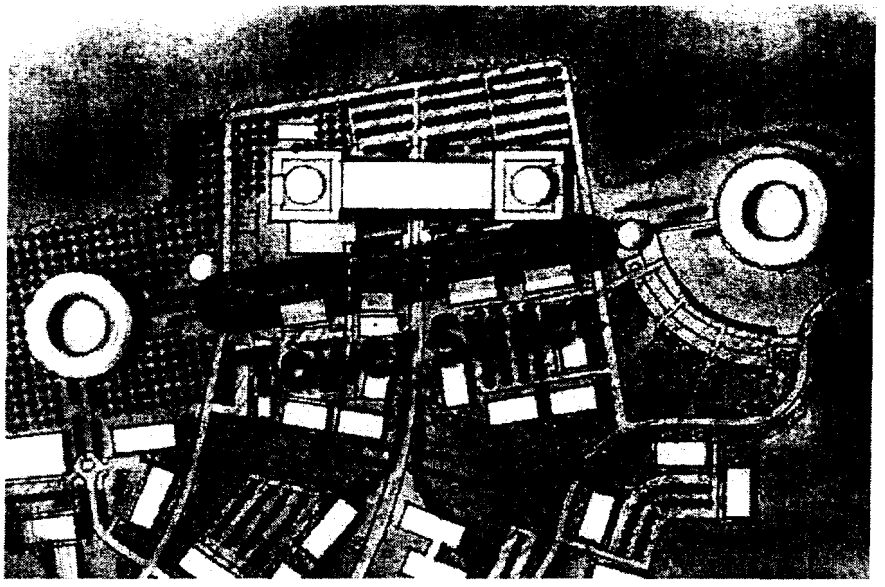




View from beneath Cooling Tower

Satsop Development Park

V. A Master Plan for Satsop

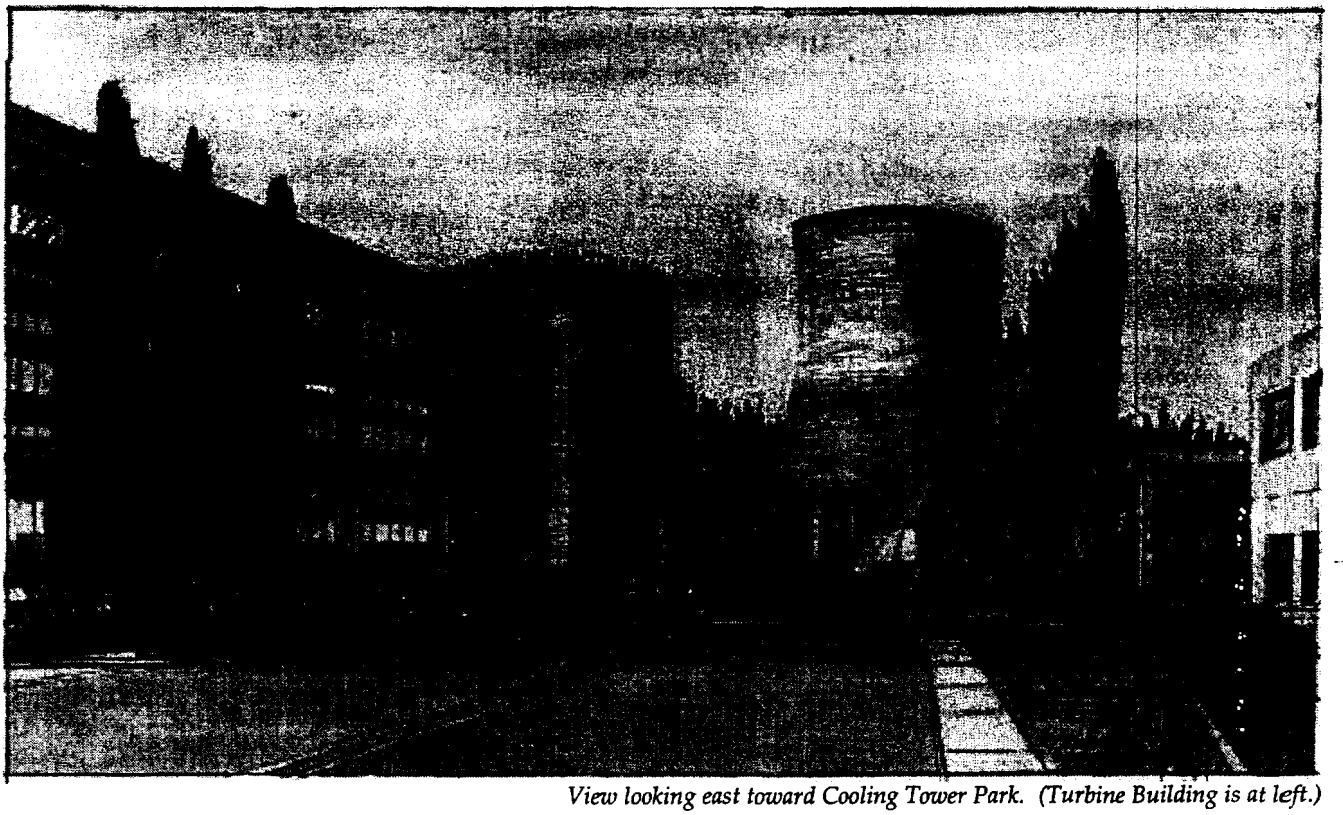


Tower Street
Est. cost: $710,000

Tower Street creates an urban boulevard that visually pulls the project's two principal icons — the cooling towers — into alignment and draws them into the visitors' and tenants' vehicular and pedestrian experiences.

The existing Turbine Building and Administration Building, along with planned new architecture flanking the street, reinforces this visual urban corridor and creates a promenade drawing down to Cooling Tower Park.

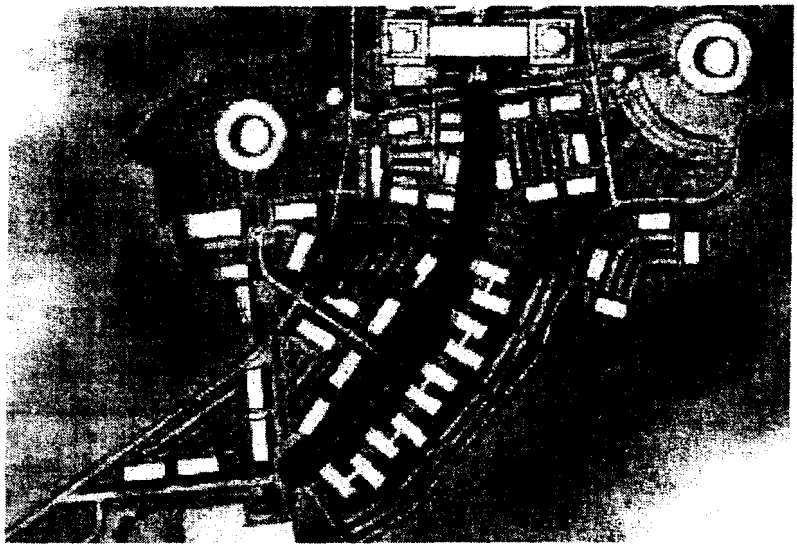
Tower Street creates an urban boulevard that pulls the site's principal icons — the cooling towers — into alignment and draws them into the visitor's experience of the Park.



View looking east toward Cooling Tower Park. (Turbine Building is at left.)

Satsop
Development

V. A Master Plan for Satsop



Main Street

Est. cost: $1,700,000

As you enter the site from the existing main road, you'll arc up through the development along Main Street toward the always visible reference points of the cooling towers. In another moment, the Park's centerpiece — the Turbine Building — slides into view ahead of you and between the towers. Beyond these anchoring structures are stunning views of the Olympic Mountains.

On either side of you is the open, meadow-like expanse of the Great Lawn, the Park's central greenspace. The Great Lawn contains unbroken space large enough for softball or other games, and a network of paths linking the intimately-scaled architecture of the buildings making up the tenant quads, visible where they overlap the Great Lawn. Main Street terminates at the Turbine Building and Tower Street, the development's urban corridor.

Main Street, flanked by Great Lawn (looking north toward main entrance and Olympic Mountains)

Main Street (looking south toward Turbine Building)

Master Plan Summary and Cost Estimate

Infrastructure	Cost Estimate
Roads	
– Main Street: Median, one lane each way with utility corridors	$ 1,700,000
– Tower Street: Connect Towers 3 & 5; tree plantings (does not include adjustment of existing underground utilities)	$ 710,000
– Modify roadway intersections (park entry)	$ 500,000
– Pave road to Telecom building	$ 100,000
– Transportation plan (complete road design)	$ 50,000
– Interior secondary roadway	$ 300,000
Subtotal	**$ 3,360,000**
Water (Domestic)	
– Water system upgrade	$ 1,500,000
– Chlorinator system	$ 75,000
– Water system extensions	$ 1,050,000
Subtotal	**$ 2,625,000**
Sewer	
– Activation, completion of site wastewater treatment plant	$ 1,200,000
– Sewage treatment building (lab)	$ 100,000
– Septic system, West Park Complex	$ 150,000
– Sewer system extensions	$ 1,000,000
Subtotal	**$ 2,450,000**
Other	
– Infiltration – inflow corrections	$ 500,000
– Storm water drainage modification	$ 200,000
– Fire system upgrades	$ 1,000,000
– Grading of site	$ 1,000,000
Subtotal	**$ 2,700,000**
Electrical	
– Completion of electrical system and site improvements	**$ 3,000,000**

SAFEHARBOR.COM: AN INDUSTRY LEADER

SafeHarbor.com is an industry leading customer support and interaction services outsourcer that delivers to progressive companies superior, Web-focused customer service while reducing time to market and start-up and support costs.

SafeHarbor.com understands that the Web has changed how people seek information and rendered traditional customer service solutions inadequate. Because of this evolution, SafeHarbor.com delivers interactive Web solutions through customized Knowledge Bases, state-of-the-art infrastructure and expert Knowledge Engineers.

SafeHarbor.com's services capture and simplify requested information – resulting in fast, efficient customer support and more satisfied customers.

SAFEHARBOR.COM: SUPERIOR ADVANTAGE

SafeHarbor.com:
- enables progressive companies to scale at the pace of the Internet by providing comprehensive, Web-focused customer service solutions – accelerating time to market and ROI.

- leverages the Web to capture, create and deliver graphical, interactive self-help Knowledge Bases, which when applied in concert with other Web- and phone-based support services deliver faster service and create happier customers.

- provides world-class infrastructure that scales instantly to meet demand and company growth.

SAFEHARBOR.COM: LOCATION IS EVERYTHING

Located at a former nuclear plant site in Satsop, on Washington's coast, SafeHarbor.com's 44,000 square foot customer service facility boasts extensive system redundancy and network communications connectivity so robust it's capable of handling phone traffic for the entire United States.

The Satsop site was originally owned and developed by the Washington Public Power Supply System until 1994 when construction was formally abandoned due to lack of funding. In 1998 the site was transferred to the Regional Public Development Authority and became the world's only high technology development park with nuclear site-quality infrastructure.

SafeHarbor.com's state-of-the-art infrastructure ensures uninterrupted customer service support, backed by highly-trained Support Analysts and expert Knowledge Engineers.

SafeHarbor.com
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SAFEHARBOR.COM™

THE WEB HAS CHANGED THE WAY PEOPLE SEEK INFORMATION.

We are in the midst of an astounding and fundamental evolution in how both customers and businesses view customer support. Expectations about quality of service, response time and depth of information are soaring. As the increasingly e-savvy public's desire for effective support grows, there is an increasing interest in personalized, self-service options via the Web.

Building a customer support infrastructure, including staffing, training and technical systems, is extremely costly and time-consuming. Traditional customer support follows an inefficient 1-to-1 communication model, and as traffic builds, customers are becoming increasingly frustrated with long waits and often-unproductive results.

SAFEHARBOR.COM PUTS CUSTOMERS ONLINE, NOT IN LINE.

To address this evolution quickly, SafeHarbor.com is forging a customer service revolution – delivering immediate, graphically-rich, easy-to-understand support services via the Web – increasing customer satisfaction while lowering support costs. SafeHarbor.com's solutions provide a single, holistic view of the customer that the Customer Relationship Management movement has been striving for.

SafeHarbor.com's Web-based Contact Center approach puts customers online instead of in line, replacing the inefficient 1-to-1 phone-centric support model with the unprecedented efficiency of a 1-to-many self-help concept.

The Contact Center empowers customers by giving them a number of ways to find the answers they need quickly and easily. The overwhelming majority of issues can be resolved within the KnowledgeBase, a powerhouse of visual solutions that incorporate graphics-like diagrams, screen shots and schematics – even delivering audio and video instructions. When more complex issues arise, customers can initiate a Web Case, use Advanced Chat, or reach a SafeHarbor.com support analyst the old fashioned way – by phone. Most importantly, SafeHarbor.com's services are all transparent to the customer – they continue to interact as if they are still at the business' Web site, receiving the superior customer service they expect.

Unlike most traditional call centers, SafeHarbor.com fosters a stable, highly motivated and expertly trained workforce. SafeHarbor.com's best-of-class training and technical infrastructure promises absolute security and the ability to scale instantly and infinitely as business demand increases. By outsourcing, companies don't have to make a hefty investment in systems and specialists, and don't have to spend the time implementing their in-house solution – SafeHarbor.com can get companies up and running in a matter of weeks. They also benefit from a lower cost of ownership, keeping internal resources focused on core competencies. In addition, companies get the ultimate cost control from SafeHarbor.com's flat monthly subscription pricing model.

SAFeTECH: A TAILORED TECHNICAL SUPPORT SOLUTION.

SAFeTECH's well-rounded feature-set offers choices, enabling end-users to get just the help they need when they need it. The foundation of this efficient self-help model is a robust KNOWLEDGeBASE, a rich set of graphical, interactive, personalized Web solutions. In addition, ServiceSam, the solution's virtual support advisor, is available to help guide the customer to the answer they're looking for.

When issues can't be resolved through the KNOWLEDGeBASE or ServiceSam, cases can be escalated in any number of ways. A customer can open a WebCase – a personalized Web page to initiate contact with a Support Analyst (and at the same time view all past support incidents and solutions, all with one click of the mouse). Or they can communicate by Advanced Chat, e-mail, fax or phone. The whole transaction is managed by powerful workflow technology for automatically routing escalated items and reviewing resolution status.

SafeHarbor.com provides companies with customized reports on-site, including KNOWLEDGeBASE usage, incident and solutions reports that monitor activity from all points of contact: self-help, Web cases, phone, chat, and e-mail solutions.

SAFeBUSINESS: E-COMMERCE CUSTOMER PURCHASE SUPPORT.

SAFeBUSINESS delivers the same robust set of services that SAFeTECH offers, but adds specific advantages for e-commerce support. The KNOWLEDGeBASE provides interactive content to support customer self-service via the Web. In the e-commerce environment, ServiceSam helps customers find the specific products or features they desire. SAFeBUSINESS also offers tools for pushing information out to users, and supports cross-selling and up-selling.

The SAFeBUSINESS advantage includes transaction services and user profiling, as well as customized reporting on site usage. No other company can match SafeHarbor.com's combination of world-class technology, people and processes to deliver these services.

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SAFEHARBOR.COM CLIENTS

ALIVE.COM

A multimedia application service provider (ASP), Alive.com delivers applications and services which empower non-technical people with the latest Web media technologies, including streaming media. Alive.com products and services power Web sites and portals with multimedia creation, hosting and management tools, enabling visitors to create and manage media-enhanced content easily on any Web site. The result is more engaging Web applications, more compelling information sharing and increased revenue opportunities for organizations powered by Alive.com.

AMDAHL CORPORATION

A wholly owned subsidiary of Fujitsu Limited, Amdahl Corporation provides integrated computing solutions that meet the needs of many of the largest users of information technology in the world. Amdahl develops and deploys systems, services and support that meet the needs of the world's most computer-intensive organizations and environments. With more than 28 years of experience delivering large-scale computing and client/server technology, the Amdahl mission is to deliver innovative systems, services and support to lead customers to the most complete and powerful data centers of the 21st century.

AVENTAIL

With vision, technology, expertise and commitment, Aventail enables large global enterprises to build business partner networks rapidly so they can win at e-business. Aventail helps companies drive revenue and market share by enabling the rapid activation of business-to-business partnerships over the Internet. That means businesses can conduct serious commerce and collaboration online, securely and with anyone - anytime, anywhere. Aventail guarantees fast, flexible service for building scalable, manageable online business communities, whatever the requirements. Aventail's vision is to make it as easy to activate a business relationship online as it is to make a phone call.

ECHARGE

The next generation online payments company, eCharge Corporation is improving global online payment methods by offering Internet users feature-rich, convenient and secure ways of making online purchases. eCharge Corp.'s payment solutions are used by Internet merchants, telephone companies and Internet Service Providers worldwide. Headquartered in Seattle, Washington, eCharge has offices in Vancouver, BC, London and Tokyo.

ELF TECHNOLOGIES

ELF is a privately held corporation, headquartered on Mercer Island in Washington state, with international offices in Dublin and Sydney. ELF is a member of IBM's award-winning BESTeam program and a premium member of the Lotus® Business Partner Program. ELF's innovative software and services help insurance claims departments, corporate law departments and law firms measurably improve the handling and management of legal work. Primary services include electronic invoicing, collaborative case management, hosting of integrated applications and managed connections with outside counsel.

ETERA.COM

Growing perennials for more than 20 years in the Western Washington Skagit Valley, Etera, until recently, sold only to retailers across the country. Now for the first time, plants grown with the patented Etera Perennial Growing process are available directly to the home gardener via the Web, through Etera.com's online gardening center. This "virtual garden store" is a one-stop shop where garden enthusiasts can shop, get advice and connect with growers and club members.

IMAGEX.COM

A leading business-to-business Internet market maker for printed business materials, ImageX.com offers an end-to-end solution that streamlines the procurement process for business printing customers, their employees and other end users of printed products, printing manufacturers and raw material suppliers to the printing industry. The company provides e-commerce solutions that improve the way businesses acquire marketing communications materials, ranging from business cards to high-end printed materials. ImageX.com's nationwide Web-based services include the Corporate Online Printing Center; the Small Business Printing Center; PrintBid.com, an online bidding system for more than 2,800 print buyers and more than 4,000 printers; and PaperDeals.com, an online auction site for commercial paper stock.

TELEPOST

TelePost is a global provider of advanced business communications services for the SOHO and small/medium enterprise. TelePost partners with telecommunication companies, Internet Service Providers (ISPs) and other communication providers to market a comprehensive suite of communication services to this market. TelePost integrates both the Internet and the public telephone network to offer reliable, business-quality connections using a simple Web-browser interface.

TRISCEND

Located in Mountain View, Calif., Triscend is a privately-held fabless semiconductor company pioneering a new era in embedded systems processing chips, including the Configurable System-on-Chip, a single-chip combination of a dedicated ("hard-wired") industry-standard microprocessor, programmable logic, a dedicated system bus and program memory. When these technologies are tightly integrated on a chip, an embedded system designer can create a customized processing platform instantly, which permits extremely rapid time-to-market advantages without sacrificing product differentiation. Triscend is delivering the industry's first Configurable System-on-Chip (CSoC) devices; the E5 family; and the companion software development tool, the FastChip™ Development System.

An embedded system is defined as a microprocessor-based electronic system that performs an application-specific set of functions. These systems exist in many industries, including automotive, communications, consumer, and industrial. Examples of an embedded system include the circuitry that runs anti-lock brakes as well as the electronics that control a microwave oven, set-top box and cable modem.

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Good-bye Call Center. HELLO Contact Center.

The future of support belongs to Contact Centers—where service is enriched by the Web—not defined by the telephone. SafeHarbor.com seamlessly integrates multiple methods of contact: Web-based self-help, Web Cases, real-time communications such as Advanced Chat and on-line whiteboards, as well as the telephone.

We've found that given clear, intuitive and powerful tools, most people prefer to find answers to their questions on the Web. And with a well stocked, thoughtfully created Knowledge Base, those solutions are right at customers' fingertips, whether they're in Boston or Bombay. But if an issue isn't resolved using the Knowledge Base, the beauty of SafeHarbor.com's Contact Center really kicks in—because our support specialists aren't restricted to the telephone to understand a problem or describe a solution.

Your end-users and our support analysts can collaborate in a multitude of ways. For example, end-users can open a Web Case, submitting an inquiry directly to a support analyst from within your Web site. End-users and support analysts can also communicate in real time—exchanging documents and graphics, jumping to other useful Web sites, or sharing an electronic whiteboard to illustrate a point. The final safety net? The telephone. Our state-of-the-art telephony technology allows customers to be connected with the sound of their support analyst's voice any time—the old-fashioned, but sometimes necessary way.

Call Centers revolve around the telephone. While SafeHarbor.com's Contact Center utilizes the Web, and its cutting edge tools, in addition to the telephone, to deliver information-rich support that's efficient, intuitive and empowering.

SafeHarbor.com
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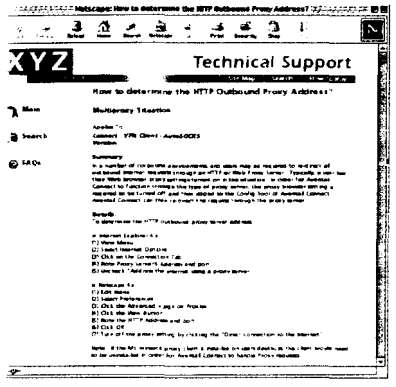
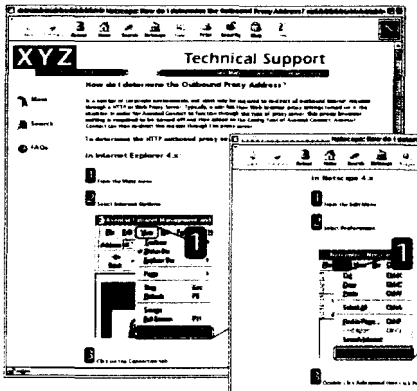
SAFEHARBOR.COM

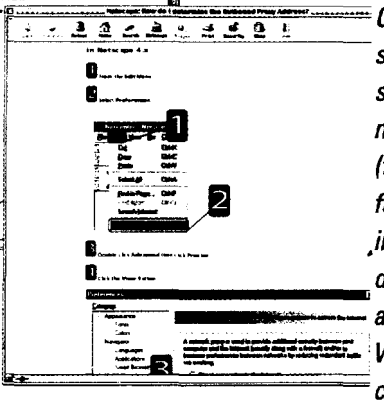
Knowledge Base technology—a **POWERHOUSE** of empowering information.

As support issues become known, our highly trained knowledge engineers develop, design, test and refine visual solutions.

It's so much easier to understand the solution to a problem when you can see it. Which is why people appreciate the highly visual, easy-to-understand support they get with our Web solutions—in a personalized environment that's tuned in to their information, their history and their needs.

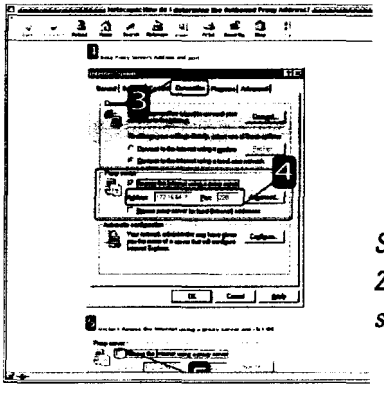






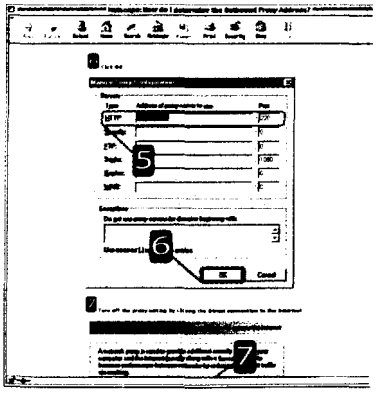
Compare these solutions: traditional support relying on mind-numbing text (the screen on the far left), and ours, incorporating dynamic graphics and call-outs. Which would your customers prefer?

Our solutions are built incorporating visual aids whenever possible, including diagrams, screen shots and schematics for clarity—even audio and video. Then they're added to your continually evolving "central warehouse" of support solutions—your Knowledge Base.



Behold the power of the Knowledge Base:

- It provides immediate 24x7 access to up-to-date, fully engineered solutions from any Web browser.
- It allows issues to be solved once and delivered countless times, consistently.
- It impacts company profitability by reducing costly support calls



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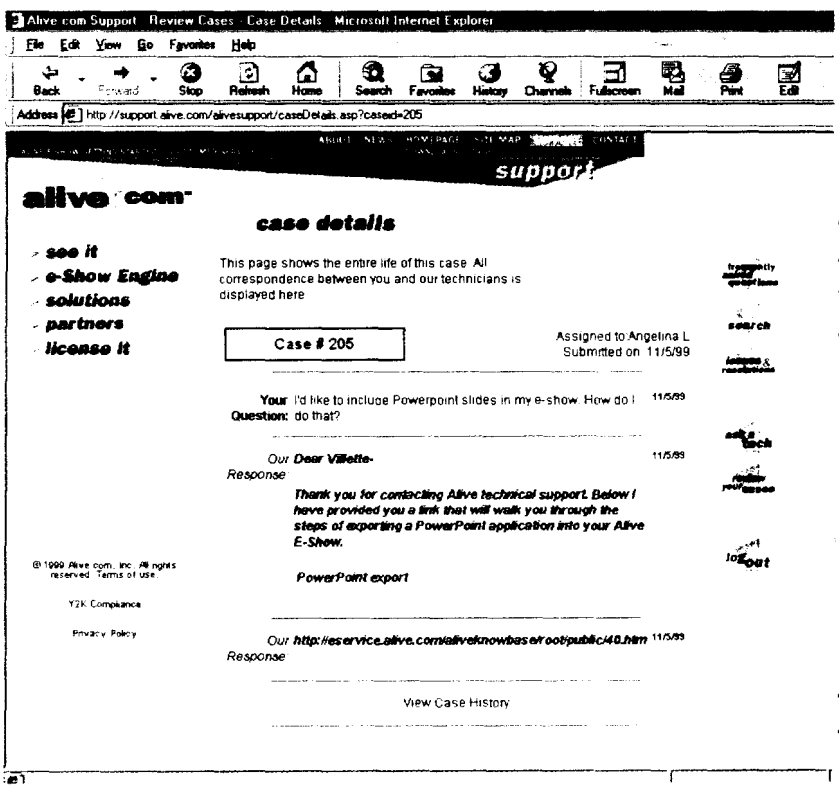
SAFEHARBOR.COM

Web Cases. The best way to KEEP CUSTOMERS —literally.

Sometimes end-users have specific questions that can only be answered by a support analyst.

Traditional e-mail support requires customers to leave your Web site to find help. But with SafeHarbor.com's Web-based support, your end-users can open a Web Case, submitting an inquiry directly to a support analyst, without leaving your site. They'll be notified of progress on their case every step of the way—they'll even know which analyst has been assigned to their case and when work began on it. And they'll receive a personal message the moment their solution is ready.



Users can submit a Web Case directly to a support analyst. Then access the solution on their personalized support page—which stores all of their previous Web Case interactions for easy reference.

Web Case solutions can be as simple as a textual response, or as comprehensive as an audio/visual demonstration. And all solutions are presented on a support page personalized specifically for the individual end-user. So their complete history of Web Cases and support solutions will always be at their fingertips for later reference.

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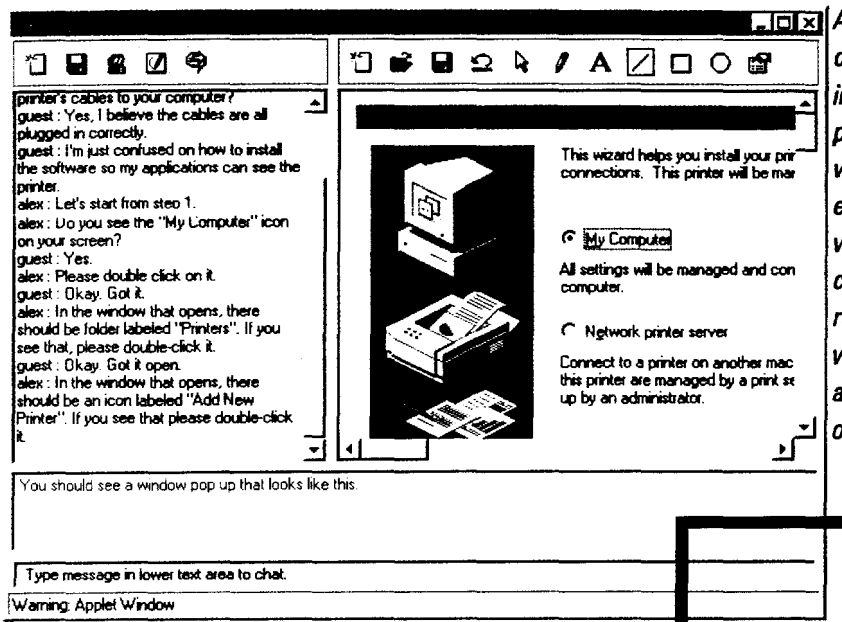

Advanced Chat combines the immediacy of a phone conversation with the clarity and effectiveness of written and visual communication—reducing confusion, while increasing accurate transfer of information.

Advanced Chat. It's like e-mail on **STEROIDS.**

While web self-service will usually do the trick, we provide multiple safety nets. End-users can also converse with our support analysts on-line through Advanced Chat—exchanging documents, graphics, and even sound.

Imagine a support specialist and your customer collaborating on-line in real time, using the combined power of language and visuals—viewing helpful diagrams, screen captures and schematics, or sharing an electronic whiteboard. Pretty powerful stuff, huh?

By exchanging textual messages and graphics in real time, both parties are able to communicate in an advanced multimedia chat session to delve deeper into complex issues.

And Advanced Chat works particularly well in the world of e-commerce support — so customers can get help while they're still online — reducing abandonment rates and improving shopping experiences.

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SAFEHARBOR.COM

Safe Harbor.com doesn't have typical employees. And we're definitely not doing business in an average office. Everything about SafeHarbor.com is a little different—just the way we like it.

Safe Harb
is not yo
normal s
company

Safe Harbor.com was established in 1998 with one mission—to provide revolutionary customer, technical, e-commerce, sales and HR support services. Our approach is wildly different than that of most support service providers simply because we're focused on the Web and enhanced by the telephone—not vice versa.

Others in the support services industry have been slow to endorse the incredible capabilities of the Web. Large call center firms have huge investments in phone-based support infrastructures and associated variable pricing structures. It would be incredibly costly for them to make such a dramatic change in direction. Thus big ships are slow to turn.

But the founders of SafeHarbor.com quickly recognized the Web's potential to radically improve the methodology of support delivery. Tapping their experience in high technology, the Internet, large industry, and start up environments, they developed the business and service strategies that would make the next generation of support services a reality. Today, we leverage the multimedia capabilities of the Web to create dynamic self-help environments, enhanced with direct support analyst interaction—all to provide an improved level of service for a controlled, flat cost. As they say, the rest is history. And it's making history of traditional telephone-based support.

SafeHarbor.com's founders grew up together in beautiful Grays Harbor County, on the Pacific Coast of Washington State's Olympic Peninsula. And when it came time to decide where to set up shop, they just couldn't pass up the opportunity to come home.

SafeHarbor.com's corporate headquarters and Contact Center are located in the Satsop Development Park in rural Grays Harbor County. Here, we've discovered a stable and motivated workforce and have been able to take advantage of significant financial and educational incentives provided by the federal, state and local governments. And we've quickly established excellent rapport and working relationships with key business and governmental leaders.

Our Sales, Marketing and Partnership Management functions are based in downtown Seattle, in the historic Skinner Building.

There's no better way to get close to your customers than by providing support services in the dynamic world of the Web. Where people are empowered to find immediate, consistent, and easy-to-understand information every time.

Imagine the efficiencies of answering every support question just once. The traditional phone-based support model has you paying techs to answer the same common questions over and over. Whereas we develop dynamic, easy-to-understand graphic solutions to your end-users' most common issues—then share them once with the whole world.

When more complicated issues arise, end-users can reach our support analysts by submitting a Web Case, an e-mail-like inquiry, from within your site. End-users and analysts can also use Advanced Chat to communicate on-line in real time, sharing visuals and documents.

Personalized, Web-ized support builds customer relationships and helps bolster your bottom line. With SafeHarbor.com, you simply pay a flat monthly subscription fee. So you never have to worry about the variable costs of providing telephone support for more and more customers.

SAFEHARBOR.COM

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WEDNESDAY, MARCH 8, 2000

Despite Perks, Rural Wash. Is Hard Sell for Tech Firms

By HELEN JUNG
Staff Reporter of THE WALL STREET JOURNAL

SATSOP, Wash. – SafeHarbor.com Inc. is doing in Grays Harbor County just what the Legislature envisioned last year when it trumpeted the passage of rural economic-development incentives. The problem is no one has been following its lead.

The Internet technical help-desk company employs 120 people in this distressed swatch of Western Washington, many of whom once worked in the county's now-shuttered sawmills or constructing its never-finished nuclear-power plant. And after only 16 months in business, the company already is bringing to the county some of the tech riches that make Seattle sizzle.

But while SafeHarbor is certainly happy to save about $200,000 this year on the state business and occupation tax, its three founders didn't settle on Satsop because Olympia gave them a break. The founders, all natives of nearby Hoquiam, decided to base their company in Grays Harbor to try to help reverse the string of bad luck and failed ventures that has long plagued the county.

In fact, only three tech companies around the state, including SafeHarbor, are taking advantage of the tax credit, a testament to how tough it is for the government to bridge the gap between what's known as "the two Washingtons." The theory was that by promising credits to technology companies that move or expand to rural counties – defined by the state as those with 100 or fewer residents per square mile – more software and Internet concerns would be persuaded to set up shop outside the Puget Sound metropolitan area. So far, however, it hasn't worked out that way.

It's simply too difficult for tech companies to act as the lone beacon in a rural community, says Michael Verchot, director of the Business and Economic Development Program at the University of Washington, which studies and works with economically distressed areas. "If you start at 30 employees and need to go to 100, where do you get the other 70?" Mr. Verchot asks. "It's not like you can walk across the street and get them from another company, and so almost regardless of how many tax breaks you provide, there is going to be that issue."

SAFEHARBOR.COM

- **Employees:** 120, expected to increase to 300 people by end of 2000
- **Founded:** 1998 by three Hoquiam natives
- **Location:** Satsop, Wash.
- **Business:** Providing technical help over the Internet or by phone to customers of Internet companies
- **Investors include:** Olympic Venture Partners of Kirkland, Wash.; Manchester, N.H.-based Silknet Software; and nine individual investors, mostly Grays Harbor residents
- **Projected revenue for 2000:** $8 million

Officials with Gov. Gary Locke's office say they aren't disheartened – the tax credit is only six months old, and they are adding other legislative pieces to make rural Washington more attractive to businesses. But even with those incentives, officials say they still face challenges in persuading companies to locate where the jobs are most needed.

And technology-industry observers warn that it won't get any easier, as Seattle and its environs, already packed with tech start-ups, will just continue to spawn and draw more. Indeed, for most players in the sector, it makes sense to be where the action is, not a two-hour-drive away from the venture capitalists, consultants and skilled labor. Even SafeHarbor keeps a sales office in Seattle.

SafeHarbor's president, Bo Wandell, knows all about that. He says one venture investor who was crazy about the company's business plan had trouble getting over the fact that it was in the technological boonies. Recalls Mr. Wandell: "He said, 'Why don't you just do it in Seattle so I can sleep at night?'" It took a lot of persuading, but he got over his fears, Mr. Wandell adds.

So what will entice more companies to set up shop outside the Seattle hub?

Sheila Martin, executive policy adviser to Gov. Locke, says a major element missing from rural Washington's arsenal is a reliable telecommunications networks capable of handling large amounts of data. As the legislative session enters its final days, lawmakers are considering measures that would allow rural port district and public-utility agencies to sell on a wholesale basis telecom services in their regions and that would ease regulations on telecom companies that set up separate subsidiaries to offer high-speed service to rural regions.

Dr. Martin also says the state hopes to single out companies whose businesses – like SafeHarbor's call-in and Web-based technical help desk – don't need to be in the heart of the dot-com corridor and could take advantage of the cheaper real estate.

In Fathers' Footsteps

SafeHarbor's founders – Mr. Wandell, Brian Sterling and Bill Miller, all in their 40s – grew up in Hoquiam back when the logging and forest-products industry was the big driver of the local economy. At the time, the Washington Public Power Supply System, now called Energy Northwest Inc., was spending billions of dollars building a nuclear-power plant in Satsop that was to have provided more than 5,000 jobs during peak construction.

They graduated from Hoquiam High School in 1973, then pursued careers outside the area. Mr. Wandell worked in sales for Silicon Valley tech firms and most recently headed global sales for Seattle's iCat Corp.; Mr. Sterling, a chemical engineer, ran Amerada Hess Corp.'s oil refinery in St. Croix; and Mr. Miller, a former Microsoft executive, became general partner of Kirkland-based venture-capital firm Olympic Venture Partners.

Meanwhile, the county's job base was beginning to disintegrate. The WPPSS project, which suffered huge cost overruns and couldn't overcome antinuclear-power sentiment, was terminated in 1982.

(over please)

Then came the 1990 listing of northern spotted owls as threatened under the Endangered Species Act, which ultimately led to massive cutbacks in logging on federal land, idling mills and laying off workers throughout the Northwest. The fishing industry in the county suffered, too, as salmon catches dwindled. And in 1997, Massachusetts-based Ocean Spray Cranberries Inc. closed its juice-bottling operation in Markham, saying it was too far from its biggest markets.

So why did an area well past its economic prime appeal to a tech start-up? Mr. Wandell says the trio had long wanted to help revive the area. He recalls how Sen. Sid Snyder, a Long Beach Democrat, responded when Mr. Wandell asked why the three should take the risk of opening a business in the technological boondocks. "He said, 'Because your fathers and grandfathers took those same types of risks to build what Grays Harbor became, and now it's your turn.'"

Of course, financial incentives didn't hurt. And the rent is cheap – less than $1 a square foot – at the Satsop Development Park, located in the shadow of the two, 56-story cooling towers left behind when the power-plant project went belly-up. Perks also include low-cost financing from the Public Development Agency for tenant improvements, furniture and equipment, says Mr. Sterling, SafeHarbor's CEO.

In addition, the Bonneville Power Administration recently wired the area with a fiber-optic cable telecom system and is leasing space on the system to the PDA and the Satsop Development Park, giving SafeHarbor access to a state-of-the-art telecom network, able to handle the phone and Internet traffic on par with Seattle.

Second Chances

But many in Grays Harbor County – where the unemployment rate is 9%, compared with King County's 3.4% and where one out of 10 residents receives food stamps – don't care *why* SafeHarbor chose Satsop. They're just glad it did.

"Most people have had to leave the community to make it," says Rich Miller, a 45-year-old resident of nearby Montesano and a manager at SafeHarbor. After working jobs ranging from repairing logging trucks to selling professional beauty supplies, Mr. Miller says he is finally earning the same wages, about $39,000 a year, that he made 20 years ago as a logger. It's a welcome change.

"At my bank, now when I cash my paycheck, they recognize the SafeHarbor check," he says, "and that that's a good check."

Comet Brower, a 31-year-old Montesano resident, jumped at the chance to work for SafeHarbor, overseeing the employees who staff the phones at the technical help desk. He had worked in Seattle for seven years in technical-support jobs but wanted to return to Grays Harbor County, he says, and at SafeHarbor he can be in high tech without having to deal with Seattle's big-city problems.

SafeHarbor plans to boost the payroll to 300 by the end of this year and to go public within the next 12 months.

Two other companies – Sunpro Inc. of Zillah, Wash., and an undisclosed firm, both of which already operated in rural areas in the state before the incentives – have applied for the tax break as well.

Staying Power

SafeHarbor officials advise other tech companies not to be wary of rural Washington, where they say there's a trainable work force and people dedicated to living in the region and so less likely to be lured away by competitors.

In Seattle, "the average tenure per employee would be six to nine months, and they'd turn out and go to another company," says Mr. Miller, SafeHarbor's chairman. But in Grays Harbor, "they'll be there six to nine years."

Mr. Sterling is confident other companies will ultimately follow SafeHarbor to outlying counties, government incentives or no. He believes they should, for the state's future. "We're accepting money from venture capitalists and customers in Silicon Valley and Seattle and New York and transferring it to our employees in Grays Harbor," he says.

Indeed, the prospect of turning former loggers into the newest Internet millionaires has many excited that the differences between the two Washingtons can be bridged. "Everyone wants them to make good on this thing," says Bob Beerbower, a Grays Harbor County commissioner. "If they make good, then we'll make good."

BUILDING THE .COM ENTERPRISE

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ASP anchors customer data

SafeHarbor.com offers outsourced, Web-based user support systems

BY JOHN MADDEN

IT MANAGERS FEELING ADRIFT WHEN IT COMES to implementing Web-enabled customer service might find smoother sailing going through SafeHarbor.com Inc.

The Satsop, Wash., company offers outsourced customer service systems through an ASP (application service provider) model. For a fixed monthly fee, the company will host and manage a company's Web-based customer service and support system, which is transparent to the customer.

A central part of the system is a customized online KnowledgeBase feature that lets customers access answers to previously asked questions and other information over the Internet.

Like other ASPs, the company's service is based on a monthly pricing model that can range, on average, from $15,000 to $20,000, according to projected usage of the site with no setup fee. Average installation takes about eight weeks: four weeks to build the KnowledgeBase and four more for actual deployment.

One of SafeHarbor.com's recent customers is CarrierPoint Inc., an Atlanta-based online marketplace for the trucking and shipping industries. CarrierPoint is in the middle of its eight-week deployment process. At this point, the company determines the most common customer issues and questions and establishes how information can be added to the KnowledgeBase, said Robert Boyle, senior vice president of operations.

SafeHarbor.com

- Headquarters in Satsop, Wash., at former nuclear power plant site
- Customer service outsourcer with an ASP model
- Services include KnowledgeBase repository of customer histories
- Customers include Alive.com, eCharge Corp. and Amdahl Corp.

After considering other options, Boyle said the company went with SafeHarbor.com because the outsourcer has "sort of a desired bias toward creating a self-service environment." Boyle added that SafeHarbor.com will be able to better monitor the most common customer questions and track query resolutions and how long they take.

A new article can be added to the KnowledgeBase within 4 hours, said Steve Lewis, SafeHarbor.com's chief technology officer. About 70 percent to 80 percent of all inquiries can be answered using the KnowledgeBase, which has an easy-to-understand graphical interface. Also included is ServiceSam, a feature that guides customers through the support system.

SafeHarbor.com's service-level agreements guarantee 99.95 percent availability for applications. SafeHarbor.com's underlying infrastructure is built on Silknet Software Inc.'s applications running on Windows NT servers. The company has relationships with two telecommunications

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SafeHarbor.com

◀ CONTINUED FROM PAGE 53

carriers—with plans to partner with others—to provide the network to deliver the applications.

As for reliability, the company, founded in April 1998, has an advantage in its location: the site of a nuclear power plant that was abandoned before going live. SafeHarbor.com is not only tapped into a solid electrical grid but boasts an impressive backup power source.

Denis Pombriant, an analyst at Aberdeen Group, in Boston, said SafeHarbor.com is answering the "big interest in corporate America to outsource anything that is noncore."

The company's ASP pricing model has the lure of being more affordable than building costly customer service systems internally, Pombriant said. Also, "one of the things you get in an ASP model is access to and availability of trained staff," he said, adding that all corners of IT continue to suffer from a labor shortage.

But like any ASP, SafeHarbor.com's model will be tested over time. "They're a young startup. ... It's going to take some time to see how it pans out," he said.

SafeHarbor.com can be reached at (206) 903-1880 or www.safeharbor.com. ◀

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Robert C. Lahmann – Bonneville Power Administration, Transmission Business Line Account Executive

Mr. Lahmann has been with Bonneville Power Administration since 1984 in a number of line and management positions, all of which have involved contract negotiation and administration and the policy aspects of those contracting areas. Mr. Lahmann has worked in contracting for the acquisition of goods and services, the sale of power, and the leasing of dark fiber-optic cable. Mr. Lahmann holds degrees in electrical engineering and law from the University of Washington.

Bonneville Power Administration

The Bonneville Power Administration is an agency of the U.S. Department of Energy. It wholesales electric power produced at 29 federal dams located in the Columbia-Snake River Basin in the northwestern U.S., as well as the power from one non-federal nuclear plant. BPA is a federal utility, specifically one of five power marketing agencies (PMAs). The others are the Southeast, Southwest, Western Area and Alaska power administrations.

BPA was founded in 1937. It was established in the Bonneville Project Act, originally as an interim agency to market the power produced by Bonneville Dam. The dam was then under construction on the Columbia River about 45 miles east of Portland, Oregon. In 1940, BPA's marketing responsibilities were broadened to include the power from Grand Coulee Dam in central Washington. Eventually, BPA's status was changed to that of a permanent agency, first within the U.S. Department of Interior, then in 1977, within the U.S. Department of Energy.